

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

No. 1741

Washington, D. C.

August 1, 1959

U. S. To Negotiate with Cuba on Raising Cuba's Tariff Rates

Announcement was made July 30 that the United States intends to renegotiate with Cuba on tariff rates applicable to imports into Cuba.

Among the products on which Cuba proposes to renegotiate her tariff rates, with a view to raising them, are canned fruits, vegetables, soups, baby foods, fish, and meats. Specific items at issue include the following:

Canned Fruits: apricots, pears, peaches, plums, apples, cherries, berries, and fruit mixtures.

Canned Vegetables: tomatoes, tomato paste, peas, corn, asparagus, and beans of all kinds.

Canned Fish: sardines, salmon, mackerel, and "other fish and shell-fish n.s.p."

Canned Meats: beef, mutton and pork, and ground or pressed beef, mutton and pork.

Notice is given by the Committee for Reciprocity Information that it (Please turn to page 250)

N.C.A. Mails Room Reservation Forms for Convention; Convention To Open with Annual Meeting on January 18

The N.C.A. has mailed to members the forms on which they should request hotel accommodations for the 1960 Canners Convention, to be held in Miami Beach January 18-20, with headquarters in the Americana.

Accompanying the room reservation form was a brochure with pictures of the 17 hotels that will be used for the Canners Convention. All are first-class ocean front hotels.

Inasmuch as the Americana is not large enough to serve all who would want to be at headquarters, the close-by hotels will be used as though they were a part of the Americana. Frequent courtesy bus service between the hotels will be provided; a Convention badge will be the pass for bus service.

The N.C.A. also has invited food brokers and buyers to attend the Convention. Room reservation forms have been sent to brokers and buyers whose names were submitted to the N.C.A. by the members.

The Carillon and Deauville, comparable to the Americana in size and appointments, will be used for brokers and buyers. A few suites and sleeping rooms in these hotels are being held in reserve for canners who may want to locate some of their sales forces there.

Members are asked to indicate, on the room reservation form, three choices of hotels. One copy of the form is for the member's file and the other copy should be returned promptly to the N.C.A.

Following is a schedule of important Convention events:

Sunday, Jan. 17: N.C.A. Board of Directors, C.M.&S.A. Annual Meeting, C.M.&S.A. Exhibit, Old Guard Banquet.

Monday, Jan. 18: N.C.A. Annual Meeting, C.M.&S.A. Exhibit, C.M.&S.A. Dinner Dance, afternoon reserved for business and social contacts.

Tuesday, Jan. 19: N.C.A. Sessions on Research, Raw Products, Marketing and Sales, and Fishery Products, C.M.&S.A. Exhibit, Young Guard Banquet, afternoon reserved for business and social contacts.

Wednesday, Jan. 20: N.C.A. Sessions on Research, Raw Products, and Marketing and Sales, C.M.&S.A. Exhibit, afternoon reserved for business and social contacts.

N.C.A. business meetings will be scheduled at a later time. Some committees may be scheduled to meet as early as Saturday, Jan. 16, with every effort being made to limit the number of pre-Convention days that will be necessary for this purpose.

Single Manager Subsistence Agency Is Praised in House Report

The single manager program of subsistence supply for the Department of Defense has resulted in management efficiencies and cost savings to the government, according to a report by the House Committee on Government Operations.

The Military Subsistence Supply Agency is one of the Department's single manager assignments, and its operations were reviewed by a subcommittee of the Government Operations Committee as part of a study of the extent to which the single manager supply plan might be utilized more advantageously.

The centralizing of control for all subsistence management in the MSSA, since 1956, has permitted the agency to consolidate requirements, buy a larger volume of items in carlot quantities, and to make other improvements in procurement practices, the report states.

According to data furnished the Committee by the MSSA, 97 percent of nonperishable items were shipped by the required dates. "Supply effectiveness therefore has continued to be high," it was stated.

The MSSA was established in 1956 as the single manager for subsistence for all of the armed services. It is an expansion of the Quartermaster Market Center System, which began in 1941 as an emergency measure for fresh produce supply. The QM served the Air Force after it was created in 1947, and took over all subsistence purchasing in 1953. The responsibilities added by the conversion to the single manager pattern in 1956 included storage, distribution, inspection control, net requirements computation, and stock fund administration.

The report also states:

"MSSA considers itself organized

to operate efficiently in limited war conditions. It reports that the subsistence needs of the forces during the Lebanon and Formosa crises were provided efficiently and on time. The executive director testified, however, that MSSA would have to expand in the event of a larger-scale crisis.

"As in the case of other single managers, MSSA might be called upon to supply the needs of other federal agencies from its reserve stocks."

Cuba's Tariff Rates

(Concluded from page 249)

will hold a public hearing in order to obtain the views of interested persons in connection with U. S. participation in the forthcoming renegotiations.

The Cuban government for the past several years has been engaged in studies leading to a revision of its customs tariff. Early in 1958 it put into effect the new nomenclature and rates of duty applicable to imports from countries with which it does not have trade agreements or commercial arrangements. Cuba also announced that she would continue in effect the old nomenclature and rates of duty for imports from other countries pending the completion of the proposed tariff renegotiations (see INFORMATION LETTER of Jan. 4, 1958, page 5, and April 12, 1958, page 139).

The announcement by the CRI states in part:

"Under the provisions of Article XXVIII of the General Agreement [on Tariffs and Trade], a contracting party proposing to renegotiate a concession by modifying or withdrawing it is required to negotiate regarding compensatory adjustment with the country with which the concession was originally negotiated and with any other country having a principal supplying interest in the concession. It is also required to consult with countries having a substantial trade interest therein. In such negotiations, the country proposing the modification or withdrawal usually offers new concessions by way of compensation. If no settlement is possible on the basis of such new concessions as may be offered, the countries adversely affected are authorized to withdraw or make upward adjustment of concessions initially negotiated with the first country which are of a value substantially equivalent to the concessions which the first country is modifying or withdrawing.

"In preparation for the proposed negotiations with Cuba, the Committee for Reciprocity Information would welcome views from interested parties with regard to the possible effect on United States trade of modification or withdrawal of concessions in Schedule IX (Cuba) to the General Agreement. In addition, the Committee invites the submission of views regarding concessions which the United States might seek from Cuba as compensation, as well as views concerning the possible withdrawal or upward adjustment of concessions in Schedule XX (United States) initially negotiated with Cuba."

Public hearings will be held by the CRI beginning September 15. Appli-

1959 Acreage of Sweet Corn for Canning

The planted acreage of sweet corn for canning in 1959 totals 378,076 acres, 14 percent more than the 1958 plantings of 332,022 acres, according to a report by the N.C.A. Division of Statistics.

The figures are for plantings of both white and golden varieties as reported by all canners known to be packing corn in 1959, except for one canner for whom an estimate was made. The report covers only sweet corn for canning and does not include acreage planted for freezing or other forms of processing.

The preliminary estimate by the USDA Crop Reporting Board of the planted acreage of sweet corn for canning and other processing, except freezing, is 382,720 acres (see INFORMATION LETTER of June 27, page 221).

State	Planted Acreage White and Golden 1958	1959	Per- cent change from 1958
(acres)	(acres)		
East:			
Maine, Vt., and N. H....	4,650	3,834	-18
New York.....	10,972	13,626	+24
Maryland.....	23,740	27,320	+15
Pennsylvania.....	6,779	7,307	+8
Other Eastern states*...	2,516	3,000	+19
Midwest:			
Ohio.....	6,137	6,049	-1
Indiana.....	16,815	18,479	+10
Illinois.....	51,150	61,401	+20
Wisconsin.....	103,365	112,190	+9
Minnesota.....	66,640	80,330	+21
Iowa and Nebraska.....	9,227	9,608	+4
Other Midwest states*..	3,970	6,277	+58
Western states*.....	26,061	28,655	+10
U. S. Total.....	332,022	378,076	+14

* Del. and Va. * Ark., La., Mich., Okla., Tenn., and Texas. * Colo., Idaho, Mont., Ore., Utah, Wash., and Wyo.

Following is a summary of the acreage planted to white varieties for canning:

Region	Planted Acreage White Varieties 1958	1959
(acres)	(acres)	
East.....	6,544	6,672
Midwest and West.....	27,413	29,143
U. S. Total.....	33,957	35,815

cations to be heard should be submitted to CRI by September 4, which is also the deadline for submission of briefs by persons desiring to be heard. The closing date for submission of briefs by persons not desiring to be heard is September 15.

Celebrity Endorsement

George Shearing, pianist, will say kind words about canned foods on the national radio show, "Celebrity Talks," on August 5. The program is broadcast daily by Maggi McNellis, and the canned foods endorsements are arranged as part of the N.C.A. Consumer and Trade Relations Program.

"One of my favorite dishes is roast lamb with peas," Mr. Shearing says, "and I insist on canned peas. They have a sweeter taste and a flavor that I like." He adds that as a former ulcer patient, the only fruit that he eats is canned fruit. Miss McNellis points out some of the other advantages of canned foods.

"Celebrity Talks" is broadcast locally by 273 stations.

Grades for Canned Grapes

Notice is given in the *Federal Register* of July 22 that the Agricultural Marketing Service of USDA proposes to issue U. S. standards for grades of canned grapes. The standards would be limited to the white seedless type.

The proposed grades are U. S. Grade A (Fancy) and U. S. Grade B (Choice), for which the factors of quality would include similar varietal characteristics, normal flavor, varying degrees of color and character, uniformity of size, and freedom from defects. The proposal also provides for packs in water or grape juice.

Interested persons have until November 1 to submit written views and comments with F. L. Southerland, Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, Agricultural Marketing Service, USDA, Washington 25, D. C.

RSP Cherries for USDA

USDA announced on July 30 the purchase of 403,875 cases of No. 10 cans of red tart pitted cherries with funds appropriated under the National School Lunch Act.

Purchases were made in the following states and at the net prices indicated: Michigan 353,895 cases, \$4.825-5.039; New York 20,080 cases, \$4.90-5.21; Pennsylvania 18,000 cases, \$4.98-5.05; Wisconsin 9,400 cases, \$4.975-5.04; and Oregon 2,500 cases at \$5.60. Estimated transportation costs and discounts for prompt payment were taken into consideration in making the awards, USDA said.

Canned Peaches for USDA

USDA contemplates purchasing canned peaches of the 1959 pack for use in the National School Lunch Program. Purchases will be made on an offer and acceptance basis, using funds appropriated under the National School Lunch Act.

Offers will be considered on canned clingstone or canned freestone peaches (except Lovells and Kim Elbertas), halves or slices, meeting the requirements of U. S. Grade B or better, light or heavy syrup, in No. 2½ or No. 10 cans; however, No. 10 cans are preferred. Invitations to offer canned peaches, including detailed specifications, were mailed by USDA to peach canners July 28.

Offers must be received by the Fruit and Vegetable Division, Agricultural Marketing Service, USDA, Washington 25, D. C., by 9 a.m. EDT August 11 for acceptance by August 14. Delivery will be required during the period September 14 through October 17.

Further details regarding the purchase may be obtained from Norman F. Horsey of the Fruit and Vegetable Division of the AMS, at REpublic 7-4142, extension 2037.

Parade

Beth Merriman, food editor, featured canned tuna in a photograph-food article, "New ways to make tuna sandwiches," in the July 19 issue of *Parade* magazine.

Miss Merriman says, "How often do you ask the family, 'What kind of sandwiches do you want?' And how often does the answer come back, 'Oh, give us any kind. Got any tuna?' Both homemakers and sandwich-lovers—which means just about all of us—will enjoy the way tuna, that perennial favorite, is dressed up in the three special sandwich types. Once you've tried and mastered them, though, don't stop there. Experiment with other breads. You've got a treat ahead of you!"

The three variations of sandwiches use a Basic Tuna Recipe, made with two cans of chunk-style tuna. Tuna Club Sandwich uses the tuna mixture with tomato slices and bacon; Grilled Tuna Sandwich combines the tuna mixture with tomato and American cheese slices; and Open Face Tuna Sandwich uses the tuna mixture, tomato slices, chopped onion, and parsley.

Stocks of Canned Foods on July 1 and Season Shipments

Reports on canners' stocks and shipments of canned apples, applesauce, RSP cherries, green and wax beans, beets, carrots, corn, pumpkin, tomatoes, tomato juice, catsup and chili

sauce have been issued by the N.C.A. Division of Statistics, and detailed reports covering the July 1 stock and shipment situation have been mailed to all canners of those products.

	Carry-over month	Case basis	Supply		Canners' Stocks, July 1		Season Shipments to July 1	
			1957-58	1958-59	1958	1959	1958	1959
			(Thousands of cases)					
Apples.....	Sept.	6/10 actual	4,631	4,698	1,614	1,299	3,018	3,420
Applesauce.....	Sept.	actual	16,364	17,839	3,548	3,735	12,817	14,105
RSP cherries.....	July	actual	3,805	2,851	105	*197	3,700	2,653
Pineapple ^b	June	actual	6,998	7,468	5,595	5,615	1,403	1,854
Pineapple juice ^b	June	actual	4,284	5,585	2,496	4,973	1,788	612
Beans, green and wax.....	July	actual	33,128	34,015	5,449	*6,111	27,679	27,904
Beets.....	July	actual	12,587	12,074	3,121	*2,792	9,466	9,282
Carrots.....	July	actual	3,873	4,092	1,231	*1,226	2,642	2,866
Corn.....	Aug.	actual	43,149	37,258	7,347	4,070	35,802	33,188
Pumpkin and squash.....	July	actual	4,201	3,987	890	*727	3,311	3,159
Tomatoes.....	July	actual	27,498	31,886	2,745	*6,511	24,753	25,375
Tomato juice.....	July	actual	37,590	41,092	8,471	*9,714	29,080	31,377
Catsup.....	July	actual	31,260	35,339	6,975	*9,265	24,285	26,074
Chili sauce.....	July	actual	3,256	3,064	965	*500	2,291	2,563

* Carryover from 1958 pack into 1959-60 season.

^b Source: Pineapple Growers Association of Hawaii.

1959 Acreage Contracted to Pumpkin and Squash

The planted acreage of pumpkin and squash contracted for canning in 1959 totals 11,653 acres, 3 percent less than the 1958 contract plantings of 11,996 acres, according to a report by the N.C.A. Division of Statistics.

Canners reported intentions to buy an additional 5,100 tons on the open market.

Region	Contract Plantings		Percent change from 1958
	1958	1959	
	(acres)	(acres)	
East ^a	3,190	2,151	-3
Midwest ^b	7,902	7,758	-2
West ^c	1,904	1,744	-8
U. S. Total.....	11,996	11,653	-3

^a Del., Maine, Md., N. J., N. Y., Pa., and Va.
^b Ill., Ind., Iowa, Mich., Minn., Ohio, and Wis.
^c Calif., Colo., and Ore.

Status of Legislation

Agricultural Policy Commission: S. 2395 was introduced by Sen. Stennis July 16 and referred to Senate Agriculture Committee. H.R. 8335 was introduced by Rep. McIntire July 22 and referred to House Agriculture Committee.

Agricultural trade development: H.R. 7983—Public hearings on this and similar bills were concluded July 29 by House Agriculture Committee,

which will begin executive sessions Aug. 4. S. 1748 was reported by Senate Agriculture Committee July 15.

Antitrust: S. 716 (to authorize the Attorney General to compel the production of documentary evidence for the enforcement of the antitrust laws) reported by Senate Judiciary Committee June 29.

Consumer expenditures: H.R. 4420—Referred to the House Commerce Committee; no action taken.

Co-op jurisdiction: H.R. 200—Referred to the House Judiciary Committee; no action taken.

Country Life Commission: Bills providing for the establishment of such a Commission were considered in May by a subcommittee of the House Agriculture Committee; no further action taken.

Crew leader registration: H.R. 5930—Referred to the House Subcommittee on Labor Standards. S. 1778—Referred to Senator Labor Subcommittee. N.C.A. opposes.

Fair trade: H.R. 1253—Reported June 9 by the House Commerce Committee; presently in the House Rules Committee. S. 1083—The Senate Subcommittee on the Fair Trade Bill voted July 22 to take no further action on the legislation this year.

FDA artificial coloring: H.R. 7624—Referred to the House Commerce Committee; no action taken. S. 2197—Referred to the Senate Labor Committee; no action taken.

FDA pesticides: H.R. 6436—Passed by the Senate July 16 with a technical amendment and by the House July 27 and cleared for the President.

Federal pre-emption: H.R. 3—Passed by the House and referred to

the Senate Judiciary Committee; no action taken. S. 3 was the subject of hearings by the Senate Subcommittee on Internal Security in April and May; no further action taken. N.C.A. opposes application to food laws.

Food for peace: S. 1711 is pending before Senate Foreign Relations Committee.

Food stamps: Hearings on a number of bills have been conducted by the Senate Agriculture Committee.

Industrial uses of farm products: Following completion of hearings by a subcommittee of the House Agriculture Committee, two bills (H.R. 7576 and H.R. 309) were referred to the USDA for comments; no further action taken. S. 690 was passed by the Senate, with amendments, July 27.

Intergovernmental relations: S. 2026—Was reported, with amendment, by Senate Government Operations Committee July 27. The House Government Operations Subcommittee, with which the Senate committee held joint hearings on the legislation last month, has agreed formally to report a companion bill.

Labor-management practices: S. 1555—Passed by the Senate, with amendments. H.R. 8342 approved by House Labor Committee July 23. H.R. 8400 (Landrum-Griffin) was introduced July 27.

Marketing of potatoes: S. 17—Referred to the Senate Agriculture Committee which has obtained a "neutral" report from the USDA; no action taken.

Marketing of turkeys: H.R. 1344—Hearings on this bill were cancelled two weeks ago by the House Agriculture Committee in deference to hearings on the poultry and egg situation and the general farm problem; they may be rescheduled soon. S. 430—Because of divided opinion within the industry, no action is contemplated by the Senate Agriculture Committee on this or a similar bill. N.C.A. opposes application to canning.

Marketing orders and parity: H.R. 642—The House Agriculture Committee has referred this bill to the USDA for an opinion.

Marketing order regions: H.R. 1070—Referred to the House Agriculture Committee; no action taken.

Premier notification: S. 442—Approved by the Senate Antitrust Subcommittee on May 7; no action taken by the Senate Judiciary Committee.

Price increases: H.R. 4934—Referred to the House Judiciary Committee; no action taken. Hearings on S. 215, a similar bill, were completed before the Senate Antitrust Subcommittee in May; no further action taken. H.R. 6263 was reported out by the House Government Operations Committee June 12; no action taken by the House. S. 2382, a companion to H.R. 6263, has been referred to the Senate Subcommittee on Production

and Stabilization. N.C.A. opposes these bills.

Raw product bargaining: H.R. 1793 has been referred to the House Judiciary Committee; no action taken.

Robinson-Patman functional discounts: H.R. 4530 was the subject of hearings in June by the House Antitrust Subcommittee; no further action taken.

Robinson-Patman "good faith" defense: H.R. 11 has been referred to the House Judiciary Committee; no action taken. A similar bill, H.R. 929, is pending before the Committee. S. 11 (identical with H.R. 11) was approved by the Senate Antitrust Subcommittee on May 7 and is pending before the full Judiciary Committee. N.C.A. opposes.

State taxation: N.C.A. testified on July 22 at a hearing by the Senate Finance Committee on S. 2281, S. 2213, and S.J. Res. 113. H.R. 7757, H.J. Res. 431, and a number of similar bills have been referred to the House Judiciary Committee which has appointed a special study subcommittee.

Unemployment compensation: H.R. 7177 and H.R. 7178 have been referred to the House Ways and Means Committee; no action taken.

Wage-hour: S. 1046—This bill, as amended and approved July 10 by the Senate Subcommittee on Labor, would increase the statutory minimum wage and curtail the overtime exemption available to fruit and vegetable canners. No action taken by Senate Labor Committee. N.C.A. opposes changes in the exemptions (see INFORMATION LETTER of July 18, page 237).

Waste disposal facilities: H.R. 322—Referred to the House Ways and Means Committee; no action taken. N.C.A. supports.

FISHERIES LEGISLATION

Construction differential subsidy: H.R. 5421 was approved, with amendments, by House MM&F Committee July 30. S. 2338 will be the subject of further hearings by Senate Fisheries Subcommittee Aug. 4-6.

Fisheries Assistance Act: A number of proposals on this subject are pending before the House Fisheries Subcommittee; no action scheduled.

Fishermen's Protective Act: S. 971 has been referred to the Senate Fisheries Subcommittee; no action taken.

Mortgage and Loan Insurance: H.R. 3169 has been referred to the House Merchant Marine and Fisheries Committee where no action has been taken; unfavorable reports have been received from the Commerce and Defense departments. A similar bill, S. 555, has been referred to the Senate Fisheries Subcommittee; S. 2342 will be the subject of hearings by Senate Fisheries Subcommittee Aug. 4-6.

Polluted shellfish: H.R. 1244—Referred to the House Ways and Means Committee; no action taken. S. 2112—Referred to the Senate Finance Committee; no action taken.

Salmon conservation: S. 502 was considered in hearings and executive session by the Senate Commerce Subcommittee in April and May; no further action taken. A hearing on H.R. 4293 was held May 14 by a subcommittee of the House Fisheries Committee; no further action taken.

Salmon predator: S. 1264 was passed by the Senate, with an amendment, on July 6, and is pending before the House Fisheries Committee.

Tuna quotas: H.R. 443, H.R. 447, and H.R. 673 are pending before the House Ways and Means Committee; no action taken.

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